Trade and Consumer Protection Department of Agriculture,

Tax Scam Avoidance Starts with Awareness

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MADISON – Imagine going to your tax office with all of your paperwork and finding out that a return had already been submitted and paid out in your name. Or receiving a letter in the mail that a tax return using your information was filed in multiple states without your knowledge.

These are only a couple of examples of tax identity theft that have been reported to the Wisconsin Department of Agriculture, Trade and Consumer Protection (DATCP). Tax ID theft causes delays in victims' tax returns and costs victims significant time and money in repairing the damage to their identities.

The national **Tax Identity Theft Awareness Week** campaign runs through Friday. DATCP asks consumers not only to use this opportunity to review the security around their personal information, but also to be on the lookout for tax-related scams throughout the tax season.

"Criminals love tax season because it presents so many opportunities for theft and fraud," said Sandy Chalmers, Division Administrator for Trade and Consumer Protection. "Tax ID theft is the most commonly reported form of ID theft nationally."

Tax identity theft usually involves a criminal using your stolen Social Security number (SSN) to file fraudulent tax returns to obtain a refund. It also can happen when someone uses your SSN to get a job or claims your child as a dependent on a tax return.

Tax identity thieves get your personal information in a number of ways. For example:

- someone goes through your trash or steals mail from your home or car
- imposters send phony emails that look like they're from the Internal Revenue Service (IRS) and ask for personal information
- employees at hospitals, nursing homes, banks and other businesses steal your information
- phony or dishonest tax preparers misuse their clients' information or pass it along to identity thieves

So what can you do about it? To reduce your risk:

- file your tax return early in the tax season before identity thieves do
- use a secure internet connection if you file electronically. Don't use unsecure, publicly available Wi-Fi hotspots at places like coffee shops or hotel lobbies
- mail your tax return directly from the post office
- shred copies of tax returns, drafts or calculation sheets you no longer need
- respond to all mail from the IRS as soon as possible
- know that the IRS won't contact you by email, text or social media. If the IRS needs information, it will first contact you by mail
- don't give out your SSN or Medicare number unless necessary. Ask why it's needed, how it's going to be used and how it will be stored
- get recommendations and research a tax preparer thoroughly before you hand over personal information

- if your SSN has been compromised, contact the IRS ID Theft Protection Specialized Unit at 1-800-908-4490
- check your credit report at least once a year for free at <u>annualcreditreport.com</u> to make sure no other accounts have been opened in your name

If a consumer is a victim of tax identity theft, they should contact the FTC to file a complaint immediately (either online at www.ftccomplaintassistant.gov or by phone at 1-877-FTC-HELP) and should also contact the IRS at 1-800-908-4490.

For additional information, visit the Consumer Protection Bureau at datcp.wisconsin.gov, call the Consumer Information Hotline at 1-800-422-7128 or send an e-mail to datcphotline@wisconsin.gov.

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